

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

November 3, 2009

Council Chamber, 8th floor

CONVENE: 1:32 p.m.

PRESENT: Councilmember Joseph Pontanilla, Chair
Councilmember Danny A. Mateo, Vice-Chair (in 1:35 p.m.)
Councilmember Gladys C. Baisa, Member (out 3:05 p.m.)
Councilmember Jo Anne Johnson, Member
Councilmember Sol P. Kaho`ohalahala, Member
Councilmember Bill Kauakea Medeiros, Member
Councilmember Michael J. Molina, Member
Councilmember Wayne K. Nishiki, Member

EXCUSED: Councilmember Michael P. Victorino, Member

STAFF: Gayle Revels, Legislative Analyst
Yvette Bouthillier, Committee Secretary

ADMIN.: Frederick Pablo, Budget Director, Office of the Mayor
Kalbert L. Young, Director, Department of Finance
Scott Teruya, Acting County Real Property Tax Administrator, Real Property Tax
Division, Department of Finance (BF-41, BF-49, BF-50)
Jeffrey A. Murray, Chief, Department of Fire and Public Safety (BF-5)
David Kline, Assistant Chief, Department of Fire and Public Safety (BF-5)
Alan Cordeiro, Assistant Chief, Department of Fire and Public Safety (BF-5)
Patrick Matsui, Chief of Planning and Development, Department of Parks and Recreation
(BF-5)
Traci Fujita Villarosa, First Deputy Corporation Counsel, Department of the Corporation
Counsel

PRESS: Akaku: Maui Community Television, Inc.

CHAIR PONTANILLA: . . . (*gavel*). . . The Budget and Finance Committee meeting is now in session. Today is November the 3rd, 2009 and the time is 1:32 p.m. Good afternoon, Members. Thank you for being here this afternoon. Chair, at this time,

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would like to introduce the Members that are here. We do have Member Molina, Member Baisa, Member Johnson, Member Kaho`ohalahala, Member Medeiros, and Member Nishiki. Excused at this time is our Council Chair, Member Mateo and Mr. Victorino. Upfront we do have Administration personnel, First Deputy Corporation Council Traci Fujita Villarosa, as well as our Director of Finance Kalbert Young and our Real Property Tax Administrator Scott Teruya. In the audience we do have Mr. Pablo, the Budget Director.

ITEM NO. 41: MINIMUM REAL PROPERTY TAX (C.C. No. 09-227)

CHAIR PONTANILLA: At this time...do we have anybody signed off for public testimony? Thank you. Members, if there's no objections the Chair would like to close public testimony at this time.

COUNCIL MEMBERS: No objections.

CHAIR PONTANILLA: Thank you. We do have four items on the agenda this afternoon. Three of them relates to the Finance Department and the fourth one is our Capital Improvement Project update for several projects. So the first item is BF-41. This is Minimum Real Property Tax. The purpose of the proposed bill is to amend section 3.48.175 and 3.48.190 Maui County Code to reflect the \$150 minimum tax amount in the Fiscal Year 2010 Budget. The amendment to these sections is necessary for our consistency within the Maui County Code and the FY 2010 Budget. Just a note, we increased the minimum tax from \$60 to \$150 which was effective July 1, 2009. So at this time the Chair would like to recognize our Finance Director, Mr. Young.

MR. YOUNG: Thank you. Good afternoon, Mr. Chair, and Members. This ordinance I consider a house-keeping measure, because it's only to change the Maui County Code to be consistent with the intent and actions of the Council when, when we did the Fiscal Year 2010 Budget. In which the budget ordinance specified to change the minimum tax amount, so I consider this a house-keeping measure. Mr. Teruya and I are available for any technical questions you may have on this particular item. Thank you.

CHAIR PONTANILLA: Thank you. Members, any questions for the Department regarding this item? Seeing none, Chair would like to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is for passage of the proposed bill and entitled "A BILL FOR AN ORDINANCE AMENDING

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SECTION *[sic]* 3.48.305 *[sic]*, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX”, on first reading and filing of County Communication No. 09-270 *[sic]*.

COUNCILMEMBER NISHIKI: So move.

COUNCILMEMBER MOLINA: Second.

CHAIR PONTANILLA: Moved by Member Nishiki, seconded by Member Molina. Members, any more discussion? All in favor of the motion please say “aye”.

COUNCIL MEMBERS: Aye

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried. Seven ayes, two excused, Member Mateo and Member Victorino. Thank you.

VOTE:	AYES:	Councilmembers Baisa, Johnson, Kaho`ohalahala, Medeiros, Molina, Nishiki, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Victorino and Vice-Chair Mateo.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

ITEM NO. 49: REAL PROPERTY TAX LAND CLASSIFICATION (CONDOMINIUM UNITS) (C.C. No. 09-270)

CHAIR PONTANILLA: The next item is BF-49 Real Property Tax land classification (condominium units), and the purpose of the proposed bill is to clarify that each condominium unit shall be deemed a separate parcel and assess accordingly for Real Property Tax purposes. At this time Chair would like to call on Mr. Young for comments.

MR. YOUNG: Thank you, Mr. Chair. I also consider this measure to be somewhat of a house-keeping measure, because it actually doesn't change anything in terms of the current practice in Real Property Tax, nor does it really substantively change

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the actual overall code. Our Real Property Tax Division currently treats the, all condominiumized properties as individualized units. The reason I consider this matter to be somewhat house-keeping is that it just makes that statement explicitly in the County Code to be consistent with the Hawaii Revised Statutes Chapter 514 which specifies that condominiumized properties are to be handled as single units. As I mentioned the Real Property Tax Division already treats individual units in this fashion and it would not change its practice as a result of this ordinance. It's purely for the purpose of explicitly stating it in the existing Code. Again Mr. Teruya and I are available for any technical questions that the Committee may have on this item. Thank you.

CHAIR PONTANILLA: Thank you. Before we ask questions of the Department, the Chair would like to take a short recess in regards to the item that we just passed. Short recess, don't leave.(gavel).....

RECESS: 1:37 p.m.
RECONVENE: 1:38 p.m.

CHAIR PONTANILLA: ... (gavel) ... Members on the last item the Chair had noted that we'll be filing County Communication 09-27 [sic] but in actuality the communication number is 09-227. (Consulting with Committee Staff) If there's no objections, Chair would like to receive that correction.

COUNCILMEMBER BAISA: No objections.

VICE-CHAIR MATEO: Chairman, Chairman I'm sorry, could you restate--

CHAIR PONTANILLA: Mr. Mateo.

VICE-CHAIR MATEO: --could you restate that communication number again please?

CHAIR PONTANILLA: Okay. The first item the communication number is 09-227 and what the Chair had indicated was 09-270.

VICE-CHAIR MATEO: Thank you.

CHAIR PONTANILLA: Okay. Thank you. Thank you, Members. Okay, Members, going back to BF-49 Members, any questions for the Department at this time? Member Johnson.

COUNCILMEMBER JOHNSON: Yes and this would be in regard to condominiumization of ag lands, with regard to the way that we're doing, I guess,

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our mapping currently. Are we up-to-date on all the mapping for the entire County as far as the assigning TMK's? 'Cause I know at one point, I know we were a little bit behind so has that all been brought up-to-date?

MR. TERUYA: Ms. Johnson, in response to your questions, we are still a little bit behind. We're still working on 2008 subdivisions as we speak. We're about six months behind is the latest that I have been told, so we are still a little in the mapping area as far as new subdivisions.

COUNCILMEMBER JOHNSON: Okay.

MR. TERUYA: Yeah. As far as condominiums, we are not as far back.

COUNCILMEMBER JOHNSON: And the reason that I ask is because how do you then treat...let's say an ag lot for example has been condominiumized and in some cases they're still part of the whole large lot, you know subdivision. How is that handled? Because now you've got so many people that are you know, they condominiumized and then they have like a cottage on one part of the lot, it's the same TMK as the other one. How do you address that and particularly when, you know, we're a little bit behind on those?

MR. TERUYA: As far as condominiumizing in agriculture or any condominium it doesn't require an actual drawing of maps. A subdivision of subdivided parcels requires us to draw the maps because even in that case we're still given the area of the parcel. So it's, we, we are gonna able to assign them a TMK. It's just the map may not be as current as we would want it to be. But as far as condominiumize it wouldn't be a problem about getting those on the books.

COUNCILMEMBER JOHNSON: Okay. So, so when you send out the tax bill to the condominiumized ag lot owner or in some cases let's say it's the guy who formed the subdivision and then he gets the bill and he collects the money from all of the people--that's his responsibility--is that the way it works or do you do it differently?

MR. TERUYA: Yeah, well, once a condominium is final we're going to be able to get the new owners of record, and we'll be able to assign them their own CPR number. Well they, they'll be able to be responsible for their own tax bill.

COUNCILMEMBER JOHNSON: Okay. And then even though they've got let's say there's one lot and there's two owners on the ag lot. They each get the Homeowner Exemption? Is that my understanding because they're getting a separate tax bill?

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MR. TERUYA: Yes. That's correct. And that's addressed in HRS as well under 514B, I believe it's still addressed that each parcel shall be assigned its own parcel, assigned their own parcel; and therefore, they're still allowed for their own exemption.

COUNCILMEMBER JOHNSON: Okay. So...

MR. TERUYA: Yeah. It's in, it's in the Hawai'i Revised Statutes.

COUNCILMEMBER JOHNSON: Yeah. So if you've got two of these unrelated owners, and I'm hoping you're verifying that they're doing actual agricultural activity. Do you usually get involved in that or not necessarily?

MR. TERUYA: No. We do not get involved in that case because all their agricultural lots if you want an agricultural use assessment you must file with division the paperwork in order to, to receive that agricultural benefit. And whether or not people are, we're not there to enforce it, unless, you know, they're going to come forward looking for the benefit, then you file the application, then we're going to go out to verify it.

COUNCILMEMBER JOHNSON: Okay.

MR. TERUYA: But it's not a requirement in order for you to get your condominiumization of your property.

COUNCILMEMBER JOHNSON: Okay. And they're still going to, you know, so that one lot will get a, ostensibly right now, a \$600,000 exemption. Well, if they're both filing homeowners, it's one TMK that's been condominiumized? Currently that would be like \$600,000?

MR. TERUYA: Yeah. Well, first of all you have a parcel and a parcel can be condominiumized into "x" pieces. As long as it's gone through the condominiumization process each part, each condo part is allowed to get their own exemption.

COUNCILMEMBER JOHNSON: Okay. So it could be more than that too. Okay, alright. I won't go down this road anymore, because I'm just trying to understand when you send out the tax bills how it actually looks and how it relates to the item that we have on the agenda today. But, I thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions? Member Baisa.

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COUNCILMEMBER BAISA: Thank you very much, Chair. I'd like to ask a question that is really not mine but it was a constituent who called in to ask, and so I'd like to ask on their behalf. I would also like to know too. Will this change allow the property assessor to assess a condominium unit using the sales methodology and then assess the common areas using the cost methodology or vice versa? If not what is the importance of making the common areas a separate parcel for tax purposes?

CHAIR PONTANILLA: Department?

MR. TERUYA: This ordinance has no effect as to what...we're not be changing anything the way we do. Once you have a...you go through the condominiumization process, it's filed with the bureau, each condominium unit is therefore needs to be separately taxed, separately assessed. The method that it's being done is not changing. It is the market value of the unit, yeah. The common areas has, has is not separately assessed because the value is all within the condominium individual units. So it's not like you get, in the condo project where we going start cost approaching the swimming pool. All those values attributed to the pool and the common interest is all inside the units.

COUNCILMEMBER BAISA: Thank you very much for the clarification. It's important that people understand what we're doing. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Department? Just a quick clarification. So, the current practice, you know, what you just told us, you know, you haven't had any past issues, this is just a house-keeping measure to make it consistent.

MR. TERUYA: Yes. That is correct.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Department? If not the Chair is ready for his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is for passage of the proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.305, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX LAND CLASSIFICATION" on first reading and filing of County Communication 09-270.

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VICE-CHAIR MATEO: Mr. Chair, I move for the passage of the proposed bill as you have so described including the filing of the communication.

CHAIR PONTANILLA: Thank you. Is there any second?

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Second. It's been, it's been moved by Member Mateo, and second by Member Medeiros. Is there any more discussion? Seeing none, all in favor of the motion please say "aye".

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried. Eight ayes, one excused, Member Victorino.

VOTE:	AYES:	Councilmembers Baisa, Johnson, Kaho`ohalahala, Medeiros, Molina, Nishiki, Vice-Chair Mateo, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Victorino.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

ITEM NO. 50: APPEALS TO BOARD OF REVIEW REGARDING REAL PROPERTY ASSESSMENTS (C.C. No. 09-271

CHAIR PONTANILLA: Moving on, Members. The next item on our agenda is BF-50, appeals to Board of Review regarding Real Property Tax assessments. The purpose of the proposed bill is to allow for the delivery of the appeals regarding Real Property assessments, by means other than the United States Postal Service, and to reference the Board of Review's Administrative Rules. At this time, Mr. Young, comments?

MR. YOUNG: Thank you, Mr. Chair. This ordinance is actually going to do two separate things as you mentioned. The first is to update the County Code to make

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it more contemporary in terms of the delivery of services. Right now the current Code pretty much only specifies delivery by U.S. Postal Service but as we all know there's a lot more sophisticated or private delivery services now available. So we would like to modify the Code so that we can accommodate that type of delivery method. The second part of the Code though is to add some language, or to modify language currently relating to the form of filing an appeal. The Code currently specifies that the form of the appeal or the structure of the form of the appeal will be prescribed by the Director of Finance. We're looking at trying to make the Board of Review a little bit more independent than they currently are and in those efforts we want to give them the authority to establish the form of the appeal, since they are the ones that eventually adjudicate the appeal itself. We feel that they should have the authority to structure the nature or the form document themselves as well. So these two items we think will make the section of the Code more relevant and updated in both of these areas. Thank you, Mr. Chair.

CHAIR PONTANILLA: Thank you. Members, any questions for the Department? Seeing none, the Chair would like to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is for passage of the propose bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.655, MAUI COUNTY CODE, PERTAINING TO APPEAL TO THE *[sic]* BOARD OF REVIEW" on first reading and filing of County Communication No. 09-271.

VICE-CHAIR MATEO: Chairman I move for the passage of the proposed bill as you have so recognized including the filing of the communication.

COUNCILMEMBER MEDEIROS: Mr. Chairman, I second the motion.

CHAIR PONTANILLA: Thank you, it's been moved by Member Mateo, second by Member Medeiros. Members, any more discussion? All in favor of the motion please say "aye".

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, eight ayes, one excused, Member Victorino. Motion is carried.

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VOTE: AYES: Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, Vice-Chair Mateo, and Chair Pontanilla.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Victorino.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

ITEM NO. 5: CIP IMPLEMENTATION REPORT (C.C. No. 09-285)

CHAIR PONTANILLA: Members, the next item is our BF-5 which is the CIP, but I don't see people from the Administration regarding both, the Kaunakakai. Oh, I'm sorry. Okay. We're going to take a ten-minute break. I understand that from Mr. Kalbert Young that, they'll be here at two o'clock and the Chairman is going to concentrate on certain projects. One of them is the Kaunakakai Fire Station. The other is the South Maui Community Park and understand the Chair was going to bring up the Molokai Baseyard, but I understand that Mr. Young had already sent out for procurement bids for that particular item, so Chair is going to take a ten-minute recess and be back by two o'clock. Meeting is in recess. ... *(gavel)*...

RECESS: 1:50 p.m.

RECONVENE: 2:01 p.m.

CHAIR PONTANILLA: ...*(gavel)*...The Budget and Finance Committee meeting is now reconvened. We're going to take up the Kaunakakai Fire Station first in regards to BF-5. We do have the Fire Chief here, Chief Jeff Murray and in the audience we have Assistant Chief Dave Kline as well as Alan Cordeiro. Hi. So if you need your experts down with you, Jeff, you know, just tell them come down.

MR. MURRAY: Thank you. Good afternoon.

CHAIR PONTANILLA: Okay. Okay. The final item this afternoon is again BF-5 which is the CIP Implementation Report, and again the Chair's intention is to discuss the first item, the new Kaunakakai Fire Station followed by the South Maui Community Park. And just to give you folks a quick update from the Fire Department on the Kaunakakai Fire Station, the contract number is C4105, dated

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October 13, 2008, to Maui Master Builders which equates to \$11,802,819. Back in December 19, 2008 there was an amendment to the Contract No. 4105 of \$500,000 making the total contract \$12,302,819. We had some concerns in regards to some documents that were, you know, attached to that particular contract and this involved and maybe later on we can ask the question regarding Contract No. 2105. This is for Alanui Ka'Imi'Iki extension from the Public Works Department. This is dated December 30, 2002 and we couldn't understand why it was, you know, in the total package with Contract No. C4105. On June 15, 2009, a notice to proceed to the contractor was issued by the Fire Department. In order to begin construction two permits were necessary pending the NTP which is the notice to proceed, the NPDES permit which is a State permit along with the building permit. The State permit required a contractor to provide a plan for best management practices regarding NPDES pollution controls, also the NPDES permit directly ties into the County grading and grubbing building permit. The NPDES permit was completed in July. The County building permit is almost complete pending a few County department, County departments' action, and would be nice to find out what departments are those. The building permit was originally filed and recorded on October 15, 2007. Unfortunately, it is important to note that the delayed review of our, the plans by several departments along with very recent comments has resulted in some required costly change orders. In the addition, in addition the recent review comments as required changes in the plans that needed to be signed off by those respective departments. And Members, all of you got a copy of the September 29 correspondence regarding the fourth quarter report and in very tiny words on page...there's no page numbers. Let's see, from the front would be one, two, Page 3. You know what I just read is also in there, but it is very hard to read. So at this time, the Chair would like to get some comments from the Fire Department or Fire Chief. Thank you.

MR. MURRAY: Thank you very much, good afternoon.

COUNCILMEMBER BAISA: Good afternoon.

CHAIR PONTANILLA: Oh yeah, go head, Jeff.

MR. MURRAY: So the specific questions were how, what is causing the delay in moving forward? Well as with all of you, we were very excited to move on with this project right after receiving the land deed in April of '09. So, subsequently we did the groundbreaking in May and notice to proceed the month after. We had thought that we had all the permits that we needed and we did not. As you know, the NPDES permit got filed and approved in July and then it's still right now with the Zoning Department as well as the building permits. The building permits were also the submission from November 2007 was for our four-bay apparatus

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station along with other offices. It was cut back, scaled back to cut down on the cost to a three-bay apparatus station and through this process they found out that they had the wrong building plans, so they had to resubmit. So we resubmitted in September of '09.

CHAIR PONTANILLA: Thank you. Maybe you can clarify the wrong plans. I know there were several that were drawn and, you know, because of the cost, the first cost it needed to be redesigned so that it become more manageable in a sense for the County of Maui. Can you explain that?

MR. MURRAY: Yes, Chair. What happened was to try to get the ball rolling earlier with the past Administration, they submitted the plan so that the permits could be waiting for the deed and then move forward. We thought all of those were in place. Apparently there were three different sets of the station that was floating around DSA and that caused some problems. And it was identified by our personnel in our plans review that they had the wrong plans. So, immediately within one week we had the design consultant submit the actual plan so that we could move forward.

CHAIR PONTANILLA: Thank you. Before I ask the Members to ask questions of the Department, the Chair has one more question in regards to County projects. If the County have a method in regards to...because it's our project, you know to me it's very important that we do it expeditiously. Is there like a coordination meeting in regards to what you guys trying to achieve? What is the process in regards to getting permits from the different departments, so that, when it does go to the departments for final approval, that there's no more questions? Do you guys have a coordination meeting, or have, or if you know it, if there's had been any coordination meeting?(inaudible)...

MR. MURRAY: We did have a coordination meeting with, with all the contractors, sub contractors, and what have you. And at that point we were told that only the NPDSDS [sic] permit was needed to start the site work and they were waiting for the building permit. But during that process nobody from the design group let us know that they had multiple drawings that was in there. So one department would be looking at the four-bay the next one would be looking at a three-bay. It really caused some issues. So we have that under control right now.

CHAIR PONTANILLA: Yeah, thank you. And the reason for asking that is that...you know, in most coordination meeting, that I been through, you know, we have all of the departments that need to review and need to approve at one particular meeting so there is no misunderstanding. So in this case here I am not hearing that. So thank you for your comments. Member Mateo from...

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VICE CHAIR MATEO: Chairman, thank you for the opportunity and I would just like to for the record, Mr. Chair, indicate why I submitted this item to, to you the Chair of the Budget Committee. Prior to the submission of this particular item I tried to request information from Administration regarding the status of this particular project. And I was told that I needed to follow a process of putting things in writing, submitting it, and nonsense things. This is a project that has been going on as far as I'm concerned for my last seven and a half years. And in terms of the Kaunakakai Station this is not, has not only started with me. This started in 1995, from our community. So this is not a new project by no means. And I think when Administration blocks opportunities for anyone of us to get information on projects within our district, I think it calls up red flags that someone's trying to, to not be truthful or to hide things. Monies for this project was appropriated more than, well, three years ago. And it just, I am just baffled why in this particular difficult time when there is a need for CIP's to move forward when we hear the need to work with stimulus monies to move projects forward, when we hear the need for AARP...ARRA monies to create projects, to move this county forward, and yet \$12 million sat in a pot for three years. Something is wrong. Something is wrong with the process and something is wrong when we don't have the leadership to move projects forward. Mr. Chairman, you just cited earlier that, one, County permits was almost complete. Can somebody tell me what permits we're waiting for and which Department it is stuck in?

CHAIR PONTANILLA: Department?

MR. MURRAY: Thank you. I believe the last permit that we are waiting for is the DCP Permit, the Disabilities and Communications Permit. We are projecting mid-November to the end of November for that permit to be filed.

VICE CHAIR MATEO: Thank you. Is that the only County permit we're waiting for approvals from?

MR. MURRAY: I believe that the building permit was just finished and they're waiting for that to be done.

VICE CHAIR MATEO: Fire signed off?

MR MURRAY: Yes.

VICE CHAIR MATEO: Thank you...(end of tape 1A)... the costly change orders. Can somebody tell me what these change orders are and how much they are? What

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they're for and how much they are? Considering construction didn't even start yet.

MR. MURRAY: The only change order that we're moving forward with is for the construction management, for this project, because it's a large facility and very complex. We had money set aside for the contract but we are looking into our Capital Improvement for our facilities to draw the funds from there.

VICE CHAIR MATEO: From their facilities. It's not coming from the contingency fund?

MR. MURRAY: No, it's coming from the facilities because we want to hold on to the Contingency Fund so we don't have that issue. We also will be reimbursing the contractor who has paid for the building permit as well as the site plan for the fencing.

VICE CHAIR MATEO: So from the Contingency Fund, nothing was used?

MR. MURRAY: Not yet. We are in the process of using, I think it was \$12,000, \$12,000 plus for the Building Plan Review Fee. And 934 some odd dollars for the fencing permit.

VICE CHAIR MATEO: Okay. And I guess, I guess maybe Administration can kind of help me understand? The Kaunakakai fire project is a County generated project. Funds for this project are funds from taxpayers. We take the plans we submit them to a Department for review. These are County employees who we pay to do their jobs. They review the project, and once it's all done they bill the taxpayers again for them doing their job for us. Is that what were paying for?

MR. YOUNG: Yes, Chairman Mateo. I understand what you are saying and it doesn't, it doesn't make a whole lot of sense. But my understanding is that in certain instances that is appropriate, specifically where the fees are charged from a special fund. And I believe the building permit fees, or some of the entitlements that the Chief had just mentioned are actually entitlement, a special fund. So, so they go into that Building Design Plan Review Fund, that is, that is for a specific purpose in the Code. So in those instances where there is a special revenue fund that's required I do believe it is appropriate. These other instances that you mentioned where by County operations are required or held to the same fees...from another County department, that's something that, you know, always is peculiar and we will always, you know, find it a little odd. And to the extent that we can work internally within the government structure to have those waive or not necessarily impede or compromise a project that's what we intend to do.

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But, just to let you know some of the ones that the Chief mentioned where there is a special fund attached, those should be required, that we should satisfy those funds as well.

VICE CHAIR MATEO: And, and has it been practiced that some of the departments also had the options of waiving these fees as well?

MR. YOUNG: Chairman, I'm not, I'm not totally familiar with the entitlement process in the County. My understanding is that there are certain, departments that might, that direct, that the Director may have administrative discretion to waive certain, certain fees if it's afforded in the Code. But I don't believe that it's pervasive or uniform throughout the entire Code for all types of fees.

VICE CHAIR MATEO: Thank you, Mr. Young. Can the Chief tell me what the construction management...individual will cost the County?

MR. MURRAY: Right now we have an estimate of a, an additional \$270,000.

VICE CHAIR MATEO: And this particular management, construction management, this is an individual or individuals?

MR. MURRAY: Individuals with specific expertise for each, each part of the contract. Whether it be electrical or, site work or what have you.

VICE CHAIR MATEO: And this you said is coming out of the \$12 million, the initial \$12 million for the construction of this station?

MR. MURRAY: No we had a portion of that was part of the contract. I believe it was \$71,000. And this is in conjunction to where the consultant has, has a vested interest to do the inspections as well, but we're, we're having another set of people come in with expertise to make sure that this job gets done correctly.

VICE CHAIR MATEO: So where, where is the balance of the monies coming from to hire this construction management group?

MR. MURRAY: It is coming from our County wide facilities.

VICE CHAIR MATEO: So what are we not doing? If we're gonna take out \$270,000 from Countywide, that we already approved for, what is not going to get done?

MR. MURRAY: There are some projects at the stations that won't be done. That would have to be...

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VICE CHAIR MATEO: So Lanai Expansion for example?

MR. MURRAY: No, not that project.

VICE CHAIR MATEO: Then your central annex expansion?

MR. MURRAY: Actually the central annex expansion, was put on the side based on the amount of what we thought would be about \$1 million, after everything was said and done, was way out of our realm. Was closer to 3.5, so what we did was we stopped that.

VICE CHAIR MATEO: Okay.

MR. MURRAY: With the addition of that warehouse that we just moved into for our Fire Prevention Bureau and all of our supplies, we're going to utilize that area for the time being until we can reassess the situation because it's become overwhelmingly crowded in Kahului as well.

VICE CHAIR MATEO: And none of the monies are going to come from the Haiku projections?

MR. MURRAY: No, not at all.

VICE CHAIR MATEO: Okay. So it's going to be taken from other projects throughout the County, \$270,000. So those projects all going to be put on the back burner so we can hire a management company to do this station.

MR. MURRAY: Well actually we, we have management within that. But what we're doing is, because of the complexity of this issue, is that we want it to be done correctly. And normally it's already facilitated in that cost, initially but none of it was identified in the contract.

VICE CHAIR MATEO: Okay. Then Chief can you now give us a new projection date as to when we may expect groundbreaking sort of speak on this station again?

MR. MURRAY: Alright, we, we have a projection that the preconstruction meeting for all entities involved will be mid-December. And hopefully we can mobilize work during that time. And anywhere between January and February we should have full construction moving.

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VICE CHAIR MATEO: And who is going to be the go to person? Who do somebody like me contact? Somebody like any one of us?

MR. MURRAY: Okay.

VICE CHAIR MATEO: Contact that not going give us BS?

MR. MURRAY: That would be our office either the Fire Chief's office. But right now we have oversight by our assistant Chief of Support Services, Chief David Thyne, will be able to be contacted on that.

VICE CHAIR MATEO: Okay. And this construction management team that you're going to hire, they will, somebody from this management group will be located on Molokai to do the day to day follow up and managing and monitoring of this particular project?

MR. MURRAY: Good question, thank you very much. The, the issue of the everyday, they were going to put the inspections on several days and specifically state those days, because we're trying to cut down. If we had to do them every day the cost would be over \$550,000. So we did it where they could do it for two or three days a week, and specifically set those inspections for these people with the expertise to come in. So we tried to cut that in half.

VICE CHAIR MATEO: So the answer is no then? They just do it--

MR. MURRAY: Not everyday, no.

VICE CHAIR MATEO: --periodically two days a week?

MR. MURRAY: Two to three days a week. Yeah.

VICE CHAIR MATEO: Three days a week. Okay, okay. So, Mr. Chair, I will gladly relinquish the floor to other Members who have... I mean...it's like I'm not done. But I will gladly relinquish the floor, so we can move this project forward. How easy it would have been for a simple phone call. How easy it would have been. But they prefer this process. So people like me can grill them which is unnecessary. This is our project. The Community of Molokai forwarded communications to the Mayor saying move this project forward. How embarrassing to have me have to confront the Chief like this. Because lack of communication. I'll gladly relinquish the floor to my colleagues.

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CHAIR PONTANILLA: Thank you, Chairman Mateo. Just a clarification, so what department is holding back that final approval?

MR. MURRAY: Well it goes through a process. It's usually scheduled for about a month. It's been in there for a while so the projected date is about mid-November. And that would be the Hawaii Disabilities and Communications Division.

CHAIR PONTANILLA: County Division?

MR. MURRAY: Yeah, it's actually a State, State—

CHAIR PONTANILLA: State.

MR. MURRAY: --State entity.

CHAIR PONTANILLA: Yeah, I just wanted to clarify that, because I don't think we had that type of division here in the County. So thank you for that clarification. Yeah sometimes the State do move very slowly too. Members, any more questions? Member Medeiros?

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman, and Chief, good afternoon.

MR. MURRAY: Good afternoon

COUNCILMEMBER MEDEIROS: Thanks for being here. And Director Kalbert Young. There was mention of, which Council Chair Mateo brought up about...and I agree with him that, you know, why, why do County agencies, charge us for a County project. And I believe Director Young, said that some of this is mandated by ordinance of Code. But you also mentioned that sometimes it's at the discretion of directors. So if it's...mandated by ordinance of Code, where does the discretion come in?

MR. YOUNG: Well it's not clear, Mr. Medeiros, for every single fee that's specified in the Code. I'm not saying that there is stated discretion uniformly throughout the Code. Certain departments may have more sophisticated or planned out rules of procedure that have already been, that are in the public realm, that allow for some discretion on the part of directors. Other departments rely solely on the requirements of the County Code itself. And in those areas there are certain special funds, that from a financial perspective, a financial management perspective, where the fees are specified in the Code to go into a special fund for a special or enterprise purpose. That the County abide and honor that requirement

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so that the funds can be segmented from the General Fund. For example, the Fire Department is a General Fund Department. When they need to get entitlements from a special fund or an Enterprise Fund department that is required with a fee or an entitlement such as say like Water Department that the County honor that transaction by transferring funds from the General Fund to a special fund, like the Water Department, the Water Fund, so that the requirements of the Water Fund can be met and honored in the existing Code where there isn't that discretion. So I mean where, or where the County Code is from one General Fund department, to say another General Fund department. I think that's the point that Mr., that Chairman Mateo was kind of making where it doesn't really make a whole lot of sense when you're taking funds from one pocket to put it in the next pocket when it's the same pair of pants kind of thing. So that is peculiar and where that instance occurs, if there is discretion in either the rules or in the Code that allow Administrative waiver that's when the Administration or the County government can work internally to try and smooth over that peculiarity, because it really doesn't make a whole lot of sense.

COUNCILMEMBER MEDEIROS: Okay. Thank you for that clarification, Director. For the Chief. I know you inherited this project from the previous Administration of the Department, and, but, do you, did have, from the previous Administration, or at the conception of this project, was there any Project Manager or CIP Coordinator in-house that was assigned to this project?

MR. MURRAY: Yes, we did.

COUNCILMEMBER MEDEIROS: And now, it is somebody in the Fire Department?
Or...

MR. MURRAY: Yeah, it was somebody in the Fire Department.

COUNCILMEMBER MEDEIROS: Okay. And throughout the process, including the process of review for the different permits and so forth that was required, did this person track if for the Department, to be sure it was going as smoothly and as expeditiously as possible?

MR. MURRAY: Yes, that person was tracking it.

COUNCILMEMBER MEDEIROS: Okay. Now is this person still the Project Manager or whatever title that person was given for this project?

MR. MURRAY: At this time, yes.

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COUNCILMEMBER MEDEIROS: Okay. What has been the role if any of the CIP Coordinator in the Mayor's office with this project?

MR. MURRAY: Just assistance in helping us get a lot of things completed. Which was a, you know, a heaven sent for us as well because there were some things that were identified to help us move along.

COUNCILMEMBER MEDEIROS: Okay. So, so there has been some coordination with the CIP Coordinator in the Mayor's office, and your particular project manager or superintendent whatever you want to call that person.

MR. MURRAY: Yeah, actually we stepped in to the whole situation so that we could be sure that it's moving along.

COUNCILMEMBER MEDEIROS: Okay. So is there also a consultant on this project that we have to hire?

MR. MURRAY: That is part of the contract, yes. A consultant is a design consultant and they take care of managing a lot of this project.

COUNCILMEMBER MEDEIROS: So as a design consultant was part of their contractual responsibility to also track the progress of the project through the different agencies?

MR. MURRAY: Yes, it was. And I believe that, you know, at some point in time the ball may have been dropped with, you know, that situation as far as multiple plans being in, and having to send in revisions. I think they were under the impression that they were able move forward and then submit the changed plans at some point in time after the first approval.

COUNCILMEMBER MEDEIROS: Yeah. I just was wondering because if there was an in-house project manager or coordinator, you know, how did it get it mixed up with, you know, which plan was the current plan that all the agencies were supposed to be reviewing?

MR. MURRAY: Well, one of the things is when we base all the judgment on where to put it, what the demographics are, the population, and the response times and all those issues, that's where the expertise of the Fire Department comes in and up until now that has been, you know, working just fine. So, this is definitely a stumbling block but we're moving on.

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COUNCILMEMBER MEDEIROS: Thank you Chief, for your responses. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Members, any more questions for the Chief? Member Mateo.

VICE CHAIR MATEO: Chairman, thank you very much. And maybe somebody can tell me whether or not it's appropriate for us to ask, Mr. Chairman, for copies of all the change orders and additional cost that have been incurred or yet to be incurred for this particular project because the Chief was not aware of all of the change orders. Considering we dealing with one for over a \$100,000 from Water alone. So I'd like to request copies of all change orders because we're still not getting all the information. Mr. Chairman, I believe the Chief had told us that this project is going to be scheduled for potential movement in January, February. That is in a short few more months. I would like to give this Administration the opportunity to move this project forward. I think for them to clarify some of their problems, existing problems, I think they were really gracious in not saying that the, you know, it's us who screwed it up. Our own departments, because when the, when the actual bids came in, which was a hell of a lot higher than what it is now. We had to downsize. And in the process of downsizing they removed the bay, they reduced additional room sizes. And it was during that transition that plans were, were not caught I believe at that particular point in time. But I guess in all fairness, I think I would like to be sure to state, that Firefighter Jenkins, who is a firefighter III, that carried this project up until this point, did yeoman's duty. Talk about the need now, we're going to spend \$270,000 to do work that this boy did for months. So, you know, it's not only disturbing that we waited up until the eleventh hour. That somebody had a brainstorm that tells us now we need professional people to do the job...at the cost of \$270,000 more. Plus all these cost overruns. You know sometimes you gotta wish, you know, be careful of what you wish for. And I made the mistake of wanting to see a fire station happen on our island because of its remoteness. But our community still deserves better. So I will support the Chief's efforts in moving this project forward. I'm going to stay on everybody, because we need to get this project moving. We got to get it done. The longer we wait the more it'll cost us. And the more aggravation everybody's going to go through. And I'm sure you don't want to sit there and look at me another time and go through this same wasted time that we're doing with each other.

MR. MURRAY: Yeah, not at all. Thank you.

VICE CHAIR MATEO: Okay. So, Administration, I'm hoping, if this is truly a County project and Administration want to help move it forward, I hope somebody stands at one of these people's desks and say, "What can we do to move the project

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forward?" The fact that we wait until somebody tell us that we're running into problems only create more problems. Take the bull by the horn, let's move this project forward and let's get the kind of leadership we need. I told you I was going to give you a nail. I'll deliver the nail because right now there's nothing to hang nobody's hat on. So let's get this project moving. This is the project that we all need. So in a few more months, Mr. Chairman, I thank you for the opportunity. Members, I apologize for me wasting your guy's time. Thank you very much.

CHAIR PONTANILLA: Thank you, Chair Mateo. It's not a waste of our time, but from my perspective when we look at all County CIP, especially ours, you know, you, we got to get some really good coordination among the departments in regarding trying to get approvals from those departments, on a timely basis. So that here we don't spin our wheels every budget session that we go, put in money to do work and we don't do it. It's not only wasting our time and probably wasting their time. So, Mr. Mateo, we gonna ask the Department for, the change orders for this particular project that so far had been expended. We'll do that through correspondence.

VICE CHAIR MEDEIROS: Thank you, Mr. Chair.

CHAIR PONTANILLA: Members, any more questions for the Department? Seeing none I'd like--

COUNCILMEMBER NISHIKI: I got a question.

CHAIR PONTANILLA: Oh. Member Nishiki?

COUNCILMEMBER NISHIKI: Yeah. You know this station now...and, and I don't know what else but, Danny mentioned a bay was removed and room sizes reduced. What does this do in regards to the function of a fire station and the living quarters of the personnel? I just happened to go to the Kaunakakai Fire Station and they were showing me where they lived, and where they eat, and everything else. And it was like, unacceptable. Now I hear that things of this sort are being removed, Chief, what else has been removed, or is what Danny mentioned true?

MR. MURRAY: Yes, it is true. It has been removed to lower the cost. In retrospect to the station that you took a look at, it has two bays just for two trucks alone. The new station will have three bays, double the size for trucks. So it will be two trucks deep and able to store a back up vehicle and the utilities that they have also, as well as their boat.

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COUNCILMEMBER NISHIKI: And then he also mentioned room sizes for where our personnel are going to be sleeping?

MR. MURRAY: Yes, they were downsized but we do have more than enough space for the personnel that will be working in that station. Yeah the way it was designed was in thought of 40 to 50 years from now, that they would be able to put another company or two in, in that station.

COUNCILMEMBER NISHIKI: Okay. And anything else, that noticeably will change from the design within?

MR. MURRAY: Yeah, I think they downsized part of the exercise room. Everything had to take a few, you know, square feet off.

COUNCILMEMBER NISHIKI: And who is this, is it a private management team that you, we hired?

MR. MURRAY: We haven't gone into contract yet, but it is a private management company.

COUNCILMEMBER NISHIKI: But you did choose one?

MR. MURRAY: Yes, we did.

COUNCILMEMBER NISHIKI: And the name?

MR. MURRAY: Mitsunaga and Associates.

COUNCILMEMBER NISHIKI: Okay. Thank you.

MR. MURRAY: You're welcome.

CHAIR PONTANILLA: Thank you. Mr. Nishiki--

COUNCILMEMBER NISHIKI: Yeah.

CHAIR PONTANILLA: --just for your information when we bided out this fire station, construction cost was an all time high. And if we were to re-bid this station again, we would get a much better price.

COUNCILMEMBER NISHIKI: Yeah.

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CHAIR PONTANILLA: So it's a matter of the timing. Okay. Members, any more questions for the Department at this time? Seeing none, thank you again Chief Murray, for being here.

MR. MURRAY: Alright thank you. Have a great afternoon.

CHAIR PONTANILLA: Okay. The next item and I do see Parks, Mr. Matsui from the Parks Department here. Thank you for being here, Mr. Matsui, your part of the question's going to be on South Maui Community Park. And, you know, for the last three Budget cycle we've budgeted a lot of money to create this park. And to date we haven't seen any movement. I know that Goodfellow Brothers have the contract, Contract No. C43804, for \$11,275,134. But there still needs pending approval of permits. And I just want to hear from the Parks Department, why it's taking so long to create this needed park in South Maui.

MR. MATSUI: Thank you, Mr. Chairman. Yeah I think that's a good question. I was sitting in the audience and share your frustrations over the building permit process. You know over the years, things, the bureaucracy has grown. You know I've been in this business for over, almost 30 years and it's grown and grown and right now we're looking at a year for building permit. You know to put blame on any agency is, is difficult, you know, our job is, is to take things one at time and try and, and resolve it. This project was bid, bid out in December or November of '08. And there was some lapse in funds, but we were successful in getting a good bid. Initially there was a problem with who the low bidder was...because of legalities the low bidder had to be thrown out. So we went, we had to go with number two, which was Goodfellow Brothers. It was still within the budget so the contract was awarded. We've been going through the building permit process. You know, there's a lot of hurdles going through. We're finally at the last step. We got approval from Water and from Sewer, Waste Management and we're looking at breaking ground December 1st.

CHAIR PONTANILLA: Thank you. Thank you for that good news about breaking ground December 1st. But what concerned me, you know, like, you know, we've had contractors, developers in these Chambers always complaining about the building permit process. For this particular project, same question for, you know, like the Fire Department. A project like this, County project, do you guys have a coordination meeting with all of the departments to make sure that our project gets some priority?

MR. MATSUI: No, we haven't done that. I don't know if it would do any good doing it. And I think, every agency was aware of the South Maui park. It's been in the

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news it's been our Departments number one priority. You know unfortunately we still have to go through the building permit process and be treated like other developers. So, you know, if, if, it would be good if you could pass an ordinance that tells the departments any County project goes at the top of the pile. But, you know, it doesn't work that way.

CHAIR PONTANILLA: Well, it's not on top of the pile, but you know, just to get some feedback from those departments in regards to, you know, approval process. You know we pay, we spending tax payer's money and every delay that we cause, you know, you add cost to the project. And we cannot have added cost because of, you know, the way we budget. Every time we, we, we stall. We lapse funds and we got to go back in again for, for more funding. It's frustrating, frustrating not only for the people, but for this Council. And I sure hope that, you know, the Administration takes, take a look at the way we process our own projects. You know hopefully that, you know, there's some common objectives in trying to get those projects done. You know, not to say that the County projects should be the highest priority but at least we put up some priority especially the needs for...*(end of tape 1B)*...Member Nishiki has been here when I, when we talked about the South Maui Kihei park, and we really pushed for the last 4 years, trying to get that thing resolved. So I'd just like to point out that to you. There's other projects too, you know, and basically yours and the Fire Department was the only one that we, you know, going to be discussing today. But there's other projects on the CIP report that need to be looked at. You know, we, we have projects that been in the CIP for a number of years. Could be up to ten years that we need to take a look at. So Members, any questions for the Parks Department at this time regarding the South Maui park? Member Nishiki.

COUNCILMEMBER NISHIKI: Yeah, um...it's really funny that, and I thank you, Mr. Chairman, for putting this up, just because I was at Central Pacific Bank where one of the parents for the Pop Warner team, really was kind of shy in asking me about what's occurring. Just because of the overuse of Kalama park with all the different teams. And she had just asked me just last week, you know we're going to go take the cheerleaders up to Orlando, and, you know, you know they, they were just almost embarrassed to ask again. And so my question, Pat, is, you're going to break ground in December now? All the permits are got and now we're going to see dirt moved.

MR. MATSUI: Yes, we're looking at December, yeah. We're still waiting for a building permit but we can proceed, we have a grading permit. We have all of the permits approved. The building should not take very long. You know there is no outstanding issues. It's just matter of it getting approved.

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COUNCILMEMBER NISHIKI: And you're phasing this park? You're doing it in phases aren't you?

MR. MATSUI: That is correct.

COUNCILMEMBER NISHIKI: Okay. And, and, and so what can we hope to see in regards to what the first phase will entail? Can you kind of give us an overview?

MR. MATSUI: Yes, in the first phase includes mass grading for two soccer fields and two softball fields, a future gymnasium site. And that's about at least 20 acres of, of grading. Then there's the utilities that's going to go in, sewer, water. We're using effluent for irrigation. There's parking lot, driveways that go in. There's two restrooms. One of the soccer fields will be fully developed with lights. The other softball field will be fully developed with lights. But as I said for the other soccer, the second soccer field and the second softball field we're just grading it. So, you know, most of the work would be in place and just a matter of grassing and fencing it. But, we're going to do landscaping with trees. That's about it.

COUNCILMEMBER NISHIKI: And, and you have the, the, the completion dates for the soccer and baseball fields?

MR. MATSUI: Yeah, we're looking at the one soccer and one softball field. We're looking at about a year of construction.

COUNCILMEMBER NISHIKI: Okay. And, and, and I just want to finally I think, thank you, Mr. Chairman, and, and my fellow Council Members because you did put in the last budget all cash I think it was so that this could happen. That's all I have to say.

CHAIR PONTANILLA: Thank you. Any more questions regarding South Maui park? Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Mr. Matsui, thank you for being here. So the first phase will be the completion of a soccer field and a softball field?

MR. MATSUI: Yes.

COUNCILMEMBER MEDEIROS: And are these fields adult dimensions or are they can be configured so that it will allow both adult and youth?

MR. MATSUI: The soccer fields are, are full size.

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COUNCILMEMBER MEDEIROS: Okay.

MR. MATSUI: And, and so is the softball field. It's for adults.

COUNCILMEMBER MEDEIROS: Adult dimensions?

MR. MATSUI: Yes.

COUNCILMEMBER MEDEIROS: Okay. So that would mean that just adult leagues would be able to play on those fields? I know the big fields for the real young ones you can do it the opposite way and put several fields in.

MR. MATSUI: Right.

COUNCILMEMBER MEDEIROS: But for the softball field unless you put one, a temporary interior fence then, you know, it will be at adult dimensions.

MR. MATSUI: Our intent is to have all of the youth play at Kalama Park. Right now it is kind of mixed, and--

COUNCILMEMBER MEDEIROS: ...*(inaudible)*...

MR. MATSUI: --and the softball field is a little too small.

COUNCILMEMBER MEDEIROS: Okay.

MR. MATSUI: So we're going to move everything, all of the youth. Of course at times that they could use the softball field--

COUNCILMEMBER MEDEIROS: Right.

MR. MATSUI: --for Little League and Pony League.

COUNCILMEMBER MEDEIROS: Right. Okay. I think that's a good plan to keep the youth at Kalama, and then move the adult sports up to the Regional Park. Thank you, Mr. Matsui. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Members, anymore questions? Member Johnson.

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COUNCILMEMBER JOHNSON: Pat, on, you know, the, I guess the, the bids in general. Do you have a bidder that's been secured that's bid the project and has that contract been executed?

MR. MATSUI: Yes, we have a contract in hand. It's Goodfellow Brothers.

COUNCILMEMBER JOHNSON: Okay. And when, has that been around for a while? Was it one, was the contract that was engaged in when we still had a little bit better economic picture? Or is it just recent?

MR. MATSUI: No, the bids were right after the big downturn where everybody went bankrupt. So you know it was timely. I think we got a really good bid on that.

COUNCILMEMBER JOHNSON: Okay. So, so in other words and that tends to be a trend over all for our CIP they're coming a little bit better now?

MR. MATSUI: Yes, they're more, were getting more bidders--

COUNCILMEMBER JOHNSON: Okay.

MR. MATSUI: --and they're getting more competitive.

COUNCILMEMBER JOHNSON: And more competitive, that's good to know. And, my, my other question was just on Lahaina Skate Park. It wasn't on this. You know I just want an update on that one.

CHAIR PONTANILLA: Thank you. Members, any more questions regarding the South Maui park? Thank you. Since we have the, Mr. Matsui here, and if you have any more park questions, Chairman has one in regards to that complex next to War Memorial, the baseball stadium. You know we had some problems a couple years back in regards to that building being constructed without the building permit. But I understand that we do have a building permit. When do we expect the building to be completed? I understand that everyone is looking for space. We had an issue down at the base yard over here in regards to a building being demolished and being reconstructed for another department. And one of the departments that was in there at one time was the Parks, Park Maintenance. So when do you expect that building to be completed?

MR. MATSUI: As far as the completion date, it's hard for me to say, because, you know, it's, it's under the, our in-house personnel, and I don't have control over them, but it is a number one priority for them. I know they're gearing up to start working on it. As far as I'm concerned, my branch is concerned, we have a

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contract to bring a water line across Kanaloa, and put in a fire hydrant and a new water meter for both the new base yard and the baseball stadium. So that notice to proceed will be going out pretty shortly. We're meeting with the contractor to tie up the loose ends, but we're ready to move on that, that portion of the work. Part of that will also, is also for them to put in a fire sprinkler system in the new building. So, you know that the building needs to go up before that portion of the contract is done.

CHAIR PONTANILLA: Thank you. What about the Lahaina Civic Center tennis courts?

MR. MATSUI: That's, I would say like 95 percent completed. I think the only thing left is the paving, the top coat for the tennis courts. The paving's done, landscape's in, the parking lot's done, the retaining walls are done, and the lights are up so we're pretty close. I think we're looking at the end of this month.

CHAIR PONTANILLA: Thank you, and then member Johnson had a question regarding the skate--

COUNCILMEMBER JOHNSON: Yes, I just wanted to know the update on the skate park. Because I know you've done a great job on the tennis courts but the skate park has been around for a while.

MR. MATSUI: You know, for the skate park we had a half a million dollars of County funds. And then we went after \$450,000 of Federal funds, and so we got that approved. But there's some minor issues that we have to address with the Feds before they release the money. And, and, and so we, we're working on trying to get that done. In the mean time, you know, we can't go out to bid until we get the approval from the Feds. So we're looking at probably next calendar year that we'll be opening bids. You know it's, it's been frustrating for us but, you know, we're, we're moving ahead as quickly as we can on it.

COUNCILMEMBER JOHNSON: Is, Pat is it still that same issue with the Boys and Girls Club having to have a membership fee and it being on that TMK? Is that still the issue?

MR. MATSUI: Yes, that generally. We've agreed, the resolution of that is that we would use, if you're familiar with the White property that we bought, that would kind of be the exchange for the acreage of, of the Boys and Girls Club. So that's the technical thing that we have to do.

COUNCILMEMBER JOHNSON: Okay.

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MR. MATSUI: We needed to get an appraisal and there's other issues so...

COUNCILMEMBER JOHNSON: Well, we had an appraisal on the White property so that was already done. Because when we purchased that, if you check, I believe with our Finance Director sitting right next to you--

MR. MATSUI: Right.

COUNCILMEMBER JOHNSON: --we did have an appraisal done on that property in order to conclude that.

MR. MATSUI: Yeah. I think the appraisal had to be more recent, but we did have a volunteer realtor, or appraiser from the community step had stepped forward and, and was doing a ...or has done--

COUNCILMEMBER JOHNSON: And is he doing that pro bono?

MR. MATSUI: Pro bono. Yes.

COUNCILMEMBER JOHNSON: Okay. Alright, so that's, once that's concluded and then the properties swapped in other words...and that will resolve the issue with the Feds?

MR. MATSUI: Yes, that would resolve it but there's still, you know, the technical, the paperwork and all of that.

COUNCILMEMBER JOHNSON: Yeah and Corporation Council would probably have to draft some kind of an agreement or memorandum.

MR. MATSUI: Yes.

COUNCILMEMBER JOHNSON: And now will we have to approve that, the County Council?

MR. MATSUI: No, not the Council no.

COUNCILMEMBER JOHNSON: Okay. Well, yeah, but if that property is being committed, you know, any transfer or issue with regard to any land use as far as County, you know. I'm not sure you...this kidding.... you know only because of the fact that I know we already acquired the property, but it's still going to be park space right?

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MR. MATSUI: Right.

COUNCILMEMBER JOHNSON: And there's not going to be any encumbrance or anything like that on that property?

MR. MATSUI: The encumbrance on the property was that we just have to dedicate that White property as for outdoor recreation and open space into perpetuity.

COUNCILMEMBER JOHNSON: Okay. And then would that require a Council resolution though?

MR. MATSUI: No, it's just an Administrative...

COUNCILMEMBER JOHNSON: Just an Administrative statement that that's--

MR. MATSUI: Statement.

COUNCILMEMBER JOHNSON: --what it's going to be used for?

MR. MATSUI: Yes.

COUNCILMEMBER JOHNSON: Okay. Well, thank you and I hope that the kids aren't too disappointed, because I know I've gotten calls in the past about that issue. But thanks very much Pat.

CHAIR PONTANILLA: Thank you. Members, any more questions? Member Kaho`ohalahala.

COUNCILMEMBER KAHO`OHALAHALA: Thank you, Chair. Pat, I, I just wanted to ask you if you can update us on the Lanai Community Center project?

MR. MATSUI: The Lanai Community Center Project, you know, we have a contractor waiting to move in. We're still waiting for a building permit. A big issue is there's a sewer line that crosses, that serves the community center that crosses a corner of a lot that's owned by Lanai Company. And we need an easement from Lanai Company. So we've been trying to get a hold of Lanai Company to get them to agree to the easement. We haven't been successful so far. They brought up a matter of renewing the lease, for the County renewing the lease for the Community Center and, and they're talking to the Mayor on that. But, you know, we, we, we blocked out January 1st, the first three months of next year so that we can do the work. But, you know, we're getting close and so we're kind of

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concerned about that. But, you know, it's, it's not within our hands. It's something that we need to resolve with Lanai Company.

COUNCILMEMBER KAHO`OHALAHALA: Okay. And this project also includes two other portions as I am looking at the CIP. You have a grease trap project and you have...let's see, grease trap and you have a certified kitchen.

MR. MATSUI: Right.

CHAIR KAHO`OHALAHALA: ...*(inaudible)*...

MR. MATSUI: That, that is one contract and includes putting in a grease trap and also some improvements to the kitchen.

COUNCILMEMBER KAHO`OHALAHALA: Okay. So right now the issue that's preventing this from moving forward is that you're crossing an ease...your property of Lanai Company in terms of a sewer line?

MR. MATSUI: Yes

COUNCILMEMBER KAHO`OHALAHALA: And without their permission then you cannot proceed?

MR MATSUI: That's correct.

COUNCILMEMBER KAHO`OHALAHALA: Okay. And on the flip side, I've been told by Lanai Company that we don't have a lease of the property and so they're hesitant to move forward because we don't have a lease agreement for the facility. That is the, the Lanai Community Rec Center. So we're kind of tossed between two things right now. I've been trying to get the Administration to meet with Lanai Company to resolve the issue of the lease and I have made several phone calls and attempts to do so. The company would like to have a lease in place so that they can be assured that we have an agreement with the company for the facility before the construction begins. So it seems like nothing is moving at this point. So I'm, I'm kind of concerned I've been making phone calls to the Administration. And at the same time I've heard from Lanai Company that they're wanting to resolve the lease situation because, as I understand it, our lease to the County facility has been expired since 2003. So, so I, don't know how else to proceed other than, attempts are being made, so that we can move this project, which should have happened some time ago, but we thought early summer. It's now early fall or getting to be late fall, but anyway Chair, I just wanted to put that on the table so that we understand here's another project on Lana'i that we would

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like to move forward. And if you recall that's the facility that we held our community Council hearings in and just so you understand, I think, the urgency of this is that that particular building is really our, our space of which is used by the Summer Pals program. It is a building that has rodents in it that's eating holes through the walls. And in the kitchen in particular it was in the Council office, we had those holes patched to just cover those pukas but they're still in the kitchen. And I think that because of that seriousness that we're dealing with a facility that has these issues with it. And right now we're caught between a rock and a hard place between Castle and Cooke and no action by the Administration in terms of trying to get some resolution to this. So, I think that the community should know that this is the current situation and that's why I bring it to, to this meeting. So that if the people ask what's happening, I hope that they will be reminded that this is, it takes two to tango and we're not getting the two together. In the mean time the community suffers with having a facility that is denigrated to the point that children go and get their meals in a summer program, in a facility that had rat holes in the kitchen, above the sinks, and the stoves of which they utilize. So that's the condition of our community center. So thank you for this opportunity to raise this in this meeting.

CHAIR PONTANILLA: Thank you I've made a note on that to be followed up. Members, anymore questions for the Parks Department? Member Medeiros...

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman, I just wanted to touch very quickly with Mr. Matsui, the update on the Helene Hall improvements where we decided to make the priority of the improvements, the reroofing of the facility. Where do we stand there?

MR. MATSUI: We opened bids I believe in October and came within the funds available. So we're in the process of awarding a contract that's going through.

COUNCILMEMBER MEDEIROS: That's, that's really good to hear. Especially, with the rainy season coming. Thank you to the Parks Department. The Hana Community Center sprinkler system, can you give me an update on that?

MR. MATSUI: We did, we had, we did a feasibility study on, on the costs, and the costs came really, really high. I believe a report was sent to the Council and, and they, they kind of separated what would cost for each building. And, and it was, the cost was prohibitive. You know unless, you know, the Council deems that, that we should do it we're not going to do it. Their suggestion is, you know, we put fire hydrants and, and just, you know, upgrade that.

COUNCILMEMBER MEDEIROS: Okay.

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MR. MATSUI: But that, that report is, is with the Council. We...

COUNCILMEMBER MEDEIROS: Okay. Thank you for that. Because does the Parks Department pay fire insurance for those buildings?

MR. YOUNG: Mr. Medeiros, the County of Maui has insurance and/or is self-insured for all County facilities.

COUNCILMEMBER MEDEIROS: Okay. So it's not done through a private insurance company?

MR. YOUNG: We, we do have private insurance coverage for property damage which includes fire, in excess of the minimum requirements that are afforded in the Code, which I believe is a million. All County facilities are insured up to the million by, by the County via self insurance, in excess of a million it's covered in our property insurance coverage, currently held by a third, by an insurer, third party insurer.

COUNCILMEMBER MEDEIROS: Okay. Director, thank you for that information. And finally, Mr. Matsui, an update on Paani Mai Park entitlements?

MR. MATSUI: I think it was last week we got SMA approval.

COUNCILMEMBER MEDEIROS: Very good.

MR. MATSUI: So, we're on board to move ahead with the skate park.

COUNCILMEMBER MEDEIROS: Okay. Thank you, Mr. Matsui and the Parks Department, for your work in moving that project forward after it stayed stagnant for many years. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Members. Any more questions for Mr. Matsui? You know Mr. Matsui is the last person that we're going to be questioning today. But, Members, the Chair is going to bring this item forward again and it's going to be prior to Budget. I think it's January? It's early January. And what I would like to concentrate on, for me, and, you know, Members think about areas in, in your district. What I want to have here is a Public Works regarding all of the bridge replacements in Hana. You know where they're at because I understand that we, not only County money is involved but some Federal monies are involved, along with the stimulus program, where we at as far as the ARRA monies that we've received. The Chair is going to also try to include the State of

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Hawaii because I understand that the State of Hawaii have projects here on Maui in regards to stimulus money. So, Members, that's the, all we have for this afternoon, in regards to BF-5 if there's no objection. The Chair would like to defer this item.

COUNCILMEMBERS: No objection

ACTION: DEFER pending further discussion.

CHAIR PONTANILLA: Thank you very much. So, Members, that concludes our agenda this afternoon. This meeting of Budget and Finance Committee on November the 3rd is now adjourned. ...*(gavel)*...

ADJOURNED: 3:10 p.m.


JOSEPH PONTANILLA, Chair
Budget and Finance Committee

bf:min:091103: clb

Transcribed by: Cynthia Los Banos

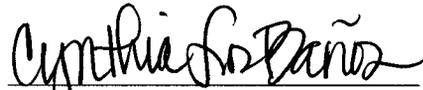
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CERTIFICATE

I, Cynthia Los Banos, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 25th day of November 2009, in Wailuku, Hawaii.



Cynthia Los Banos